



U.S. Department of Housing and Urban Development
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Challenge!

Lifestyles



Looking Ahead



International Conference Slated

Tel Aviv (Israel) is the site of the first International Conference of Building Contractors and Promoters, to be held February 18-24. The conference is designed to serve as an international forum of leading builders and real estate specialists and will provide an opportunity for participants to study the various types of construction introduced during the last 30 years in Israel — scene of the most intensive construction operation in modern history. Panel discussions, headed by top international specialists, will focus on concerns common to building specialists across the globe. The conference is being co-sponsored by the National Association of Home Builders, the Israeli Ministry of Construction and Housing, and the Federation of Contractors and Builders in Israel. For further information, contact Dr. Debbie Hami, Convention Coordinator, Suite 940, 1617 JFK Blvd., Philadelphia, Pa. 19103 (215/568-1080).

Farmers Seek Energy Conservation Alternatives

In an effort to cut costs and conserve conventional forms of energy, some farmers have been seeking new ways to manufacture their own fuel or generate their own energy through the use of wind, water, or sun. To this end, the Ford Foundation has awarded a \$79,443 grant to the Center for the Biology of Natural Systems at Washington University in St. Louis to evaluate these small-scale energy systems and suggest ways they may be improved. Concentration will center on techniques used by some farmers in the Midwestern corn belt. Certain grains can be fermented to produce ethyl alcohol, which is a suitable fuel for tractors and other farm machinery. The fermentation residue can be fed to animals. Other crop residues, manure, and dairy wastes can be converted biologically into methane gas, which then can be used for space heaters or to generate turbines for electric power. Solar energy may be used for heating and crop-drying systems. Whether these techniques can be more reliable and less expensive than the conventional fuels and electric power that farmers now buy from outside suppliers will be determined by the center. It will also study opportunities for both technological and institutional innovations. Further information may be obtained from Barry Commoner, Center for the Biology of Natural Systems, Washington University, Box 1126, St. Louis, Mo. 63130.

New Home Sales Price Increase Expected in 1979

The Chicago Title Insurance Company predicts that the median price of new homes sold during 1979 is expected to rise 9.8 percent to \$61,500, down substantially from the 14.7 percent rise to \$56,000 seen for 1978. In its latest housing review, the firm projects a modest decline in the national housing market through the middle of 1979, followed by a recovery in the second half of 1979 and a strong year for housing in 1980.

Planners to Merge

The American Institute of Planners and the American Society of Planning Officials, the Nation's two major urban and regional planning organizations, will consolidate into a new group — the American Planning Association (APA). Consolidation should be completed by next July. APA will be headquartered in Washington, D.C., and is expected to have a membership of some 19,000, a smaller number than the combined membership of both groups because some belong to both organizations. A subsidiary organization, the American Institute of Certified Planners, will be established to conduct national professional certifications.

Hot Water Energy

Federal officials of the Department of Energy say exploratory drilling as deep as 1,000 feet along the East Coast has determined that underground water may be hot enough to be of limited use as an energy source. The Energy Department's hydrothermal program has found that holes drilled in areas from New Jersey to North Carolina suggest temperatures of up to 212 degrees Fahrenheit. If the temperatures are confirmed, the water would be suitable for certain domestic and industry energy uses including water heating and cooling systems, space heating, food processing, textile manufacturing, and grain drying. Scientists believe the temperature will be hot enough to boil water, but not hot enough to provide steam for generators to produce electricity. The Energy Department will have to determine if the hot water energy is economically feasible. Drillers will try to determine if there is a sufficient supply and if it can be used competitively with existing energy sources. Plans call for drilling as much as a mile and a half in some locations.

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Statements made by authors do not necessarily reflect the views of the Department.

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Houseboats: Another Form of Housing

by Roger P. Scharmer

Throughout the history of our country, many people have developed different solutions for resolving their personal housing needs. No solution is more different than the choice for the robust and colorful lifestyle of houseboat living. Images of flatboats on the Mississippi, barges on the Erie Canal, beached ships utilized as hotels for Gold Rush 49' ers, and abandoned ferry boats, call to romantic souls who desire to live in close harmony with nature and on the water. The call is strong. The problems associated with houseboat living are complex. Yet, they are resolvable, and those concerned with increasing our housing inventory should take a more serious look at the housing opportunities offered in houseboat living.

Permanent Lifestyle

Usually, living on houseboats, barges, arks, and old ships is considered as temporary housing. Today, houseboat communities are becoming more permanent as they comply with the environmental, zoning, and building code requirements of local governments. With the increasing gap between housing prices and household incomes, the shortage of close-in building sites, and new financing arranged by lenders, houseboat living is looking better to more people. The houseboat residents of Seattle, Portland, Sausalito, and even Manhattan will tell you that houseboat living is the **only** lifestyle. They will also tell you that the good old days of living modestly on inexpensive, colorful houseboats are about over and that environmental controls, new code conformance requirements and lending criteria, are escalating houseboat costs far out of reach

of the low- and moderate-income groups that have for so long lived on offbeat houseboats. The economics established by supply and demand for the limited number of houseboat berths as local zoning boards eliminate land zoned for houseboat harbors is also rapidly

escalating berthing fees beyond the range of low- and moderate-income households. Yet, the lure of houseboat living continues.

Environmental Concerns

Water pollution has always been a serious



Newer floating homes, while conforming to building codes, lack a smaller scale of older houseboats.

concern and threat to the growth of houseboat communities. Every older houseboat community existing today has gone through the "Let's clean it up" phase, led by adjacent landside residents and governmental officials. With waste storage tanks, and dockside sewer connections, these obstacles have now been conquered. Conformance to utility-connection standards for water, sewerage, electricity and gas has eliminated many of the previous concerns for the health, safety and welfare of houseboat residents.

Visual pollution is another item that has to be dealt with in the evolution of houseboat communities. Open water areas are usually thought of as public visual space, and local residents are always concerned about how their "public domain" is being developed and how it will look from "their" shore. The catchall zoning districts of industrial classifications seem to be the breeding spot for early houseboat clusters. Houseboat communities grow organically in clusters. One boat, then two, and then more, all living in a symbiotic state for the mutual benefit of all houseboat dwellers. The physical relationship of these clusters, when thought of in a zoning sense of height, bulk, front, side and rear yard requirements, produces a dilemma for those administering zoning standards. Gangplanks and connecting access over other houseboats might be considered neighborly by houseboat residents, but to local officials, they're intolerable. Thus, it appears that more and more new houseboat harbors are taking on a "Dress Right Dress" look of lining up houseboats like mobile homes along a dock as new houseboat harbor standards are created and implemented. The designer's T-square and triangle are powerful forces in establishing new plot plan designs for current houseboat harbors. Older houseboat residents look on in disapproval as these new standards are applied to formerly distinctive yet chaotic waterfront communities.

The Sociological Aspects of Houseboat Communities

Very little demographic data exist on houseboat communities. Age, sex, ethnic group, occupation and other data readily available for landside neighborhoods is

"It's a housing bonanza land that is rapidly changing as the pressures of current urban dynamics come crunching down on this unique community."

difficult to obtain for houseboat communities. Anonymity is a state of existence preferred by most houseboat dwellers. They belong to their particular houseboat community and prefer not to be hassled by outsiders. Their devotion to the houseboat community and lifestyle is overwhelming. Sociologists and others concerned with community relationships will learn a great deal from attending a public hearing that involves residents of a houseboat community. Zealous crusaders, outspoken advocates for houseboat living, and community esprit de corps are rampant as houseboat dwellers confront the landside world. Houseboat dwellers confronting developers' bulldozers and governmental law officials are just a sample of their protective dedication to their selected lifestyle. Houseboat dwellers are a special clan. Contrary to other neighborhoods where governmental programs have appropriated funds to establish community participation, houseboat communities can rally a vociferous crew without any governmental expenditures. Analyzing the community esprit de corps and hierarchy as they have developed in houseboat communities will entertain urban sociologists for decades to come.

The Waldo Point Community

Just outside the city limits of Sausalito, on Richardson Bay, in the County of

Marin, and a quick commute from San Francisco, is the houseboat community of Waldo Point. Situated on the shallow waters of Richardson Bay, with breathtaking views of Mount Tamalpais as it hovers above Mill Valley to the north, the far-off San Francisco towering skyline to the south, Strawberry Point, with its collection of exclusive \$200,000-\$500,000 homes across the Bay to the east, and the fog-draped, then sunny hills above Marin City to the west, the Waldo Point houseboat community occupies some of the most visually dramatic waterfront lands in the country. And to live here, housing costs as low as \$16,500. It's a housing bonanza land that is rapidly changing as the pressures of current urban dynamics come crunching down on this unique community. "Unique" is the word most used in describing this houseboat community and the word is most appropriate. The vast array of housing shapes, sizes, construction methods, and use of building materials boggles the mind of one who thinks in the traditional sense of the word "house." The dynamic, creative residents know they have a special community and young and old residents will tell you that houseboat living in the Waldo Point community is a different, exciting and mellow lifestyle.

An estimate of the number of units in the Waldo Point community is 421. These are predominantly single-family units, although there are duplex, triplex, 4-plex and 5-plex houseboats. Population estimates indicate 1,000 residents. The area consists of one mile of waterfront lands.

The Waldo Point houseboat community, similar to other houseboat colonies, has been overwhelmed by landside regulations since its early origins. It started, it grew, and its growth has never fit into the regulatory and administrative processes established by local governments. Marin County has a long tradition of houseboat living, and floating



Home of philosophers, and artists, the ferryboat Vallejo settles into the bay.

arks have been around Marin waters since the late 1880's. The Waldo Point community emerged after 1914 and the settlement gained momentum when World War II ship construction employed thousands in wartime construction. Many chose to live near their work on waterfront barges. After the completion of the new bridges across San Francisco Bay, colorful, out-of-service ferry boats, like the Charles Van Damme, the San Rafael and Vallejo, were floated in and became instant landmarks, available for any kind of imaginative, adaptive use. To understand the evolution of the Waldo Point community, one only has to study the uses and residents of these old ferry

boats. Eccentric, imaginative, creative and different are words that describe the occupants of these structures. The entourage accompanying these early ferryboat dwellers and the spillover from San Francisco's declining Haight-Ashbury "Flower Children" population in the late 60's established very different living patterns for residents of the Waldo Point community.

Recycling almost everything, these new residents created living accommodations that would make outsiders shake their heads in disbelief. "Anything goes" became the architectural style and the results were unique, colorful, wonderful, frightening, and appalling. Houseboat

residents, property owners (the land under the water is subdivided private lands) and County authorities responsible for protecting lives knew this chaos could not last. It didn't last, and development that grew with no supervision is now under the close scrutiny of governmental authorities and local residents. A new Master Plan for Richardson Bay has been developed by the County Planning Commission and adopted by the Board of Supervisors. New ordinances for developing houseboat harbors have been established by the County Department of Public Works, and housing and building codes have been adopted to control the construction of new houseboats and to bring substandard structures up to code.

Somewhere in this evolution, the word "houseboat" has been lost and the new term of "floating house" has been created. This may seem like an appropriate choice for a floating residence, but this new definition is changing the old image of the houseboat colony. No longer do houseboats look like houseboats; they now look more like floating tract houses. Oldtimers are quick to point out that these new "plastic" floating homes are a visual intrusion on "their" waterfront. Occupants of these new houseboats are somewhat different in their professions, occupations and outlooks from the old-time houseboat dwellers. The similarities of problems encountered with neighborhood preservation and the upgrading of historic districts and the issues of displacement caused by changing economic conditions

"Planning staffs and politicians would be wise to develop new houseboat areas in a manner by which these new areas can develop in accordance with desired standards, rather than to implement the past policies of too late, often too severe, enforcement."

are very noticeable as houseboat communities come under increased economic pressures for the last remaining available berths. Spiraling houseboat costs created and exaggerated by new housing and building codes and the lockup of available zoning for additional houseboat harbors have created a real estate bonanza for those controlling the last remaining berths. Somehow, in the back of your mind, you know that with or without available zoning, legal or illegal, new houseboat owners will find their way to form new houseboat clusters on the

A waterfront upper story remodeling – Houseboats are always being improved.





The barge houseboat Montgomery enjoys a handsome bay view.

Bay. Planning staffs and politicians would be wise to develop new houseboat areas in a manner by which these new areas can develop in accordance with desired standards, rather than to implement the past policies of too late, often too severe, enforcement. With all its 190 miles of ocean coastline and Bay frontage, Marin County presently has not one inch of its shoreline zoned to permit houseboat communities. The existing Waldo Point area zoning was changed in 1973 to exclude houseboats and now all the houseboats located there come under a nonconforming zoning classification. The San Francisco Bay Conservation and Development Commission (BCDC) governing the Bay and waterfront lands considers houseboats as fill, and does not look favorably towards additional houseboat harbors on the Bay. Add to these local governmental bodies the concern and review authority granted to the California Water Quality Control Board and the U.S. Corps of Engineers and thus between County, regional, State, Federal and local houseboat dwellers there is created an impossible "Catch-22" bog-down in bureaucracy scenario.



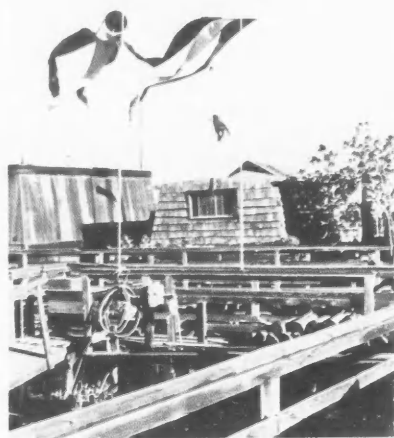
A glass prism skylight and side walls add an abundance of light to this pyramidal houseboat.

Houseboat Costs and Construction

Houseboats being built for Waldo Point float by two different flotation methods, a reinforced concrete hull, or Styrofoam floats. A typical 16-foot by 32-foot long

reinforced concrete hull costs \$10,000 to \$12,000. Styrofoam flotation consisting of Styrofoam, surrounded with a protective Fibreglas outer covering, would cost \$4,000. Both types of flotation are very popular in the houseboat community and lenders for new houseboat construction favor the concrete hull. The concrete hulls, similar to a floating basement, create additional available living space below the main floor level and waterline. Overall costs for new floating homes, including the concrete hull, all appliances and finishing touches come to about \$80 per square foot.

New houseboats must be built in conformance with the Uniform Building Code and the special Marin County codes controlling the construction and maintenance of floating homes.



Colorful pennants blowing in the bay winds add color to a dock.

Regulations for floating home marinas have also been specifically developed by Marin County's Department of Public Works. Earlier this year, new height restrictions were developed and adopted by the County Board of Supervisors. Two

stories, or 24 feet measured from the waterline, is the maximum height now permitted for Waldo Point's floating homes. Six feet of clear waterway are required between all floating homes, and if the structure is two stories, 10 feet are required. Dock widths, gangway design, and access are governed by the Floating Home Marina Ordinance, as are all service and utility connections. The minimum square footage for a floating home is 220 square feet, although the Marin County Board of Supervisors is now hearing an ordinance which would permit and control floating homes of 100 square feet. On-shore community service facilities would have to be developed in conjunction with the 100 square foot minimum ordinance.

The Marin County Board of Realtors includes houseboats and floating homes in their weekly multiple listing service. Prices listed recently illustrate the range of houseboat prices: a one-story, one-room houseboat with a wooden hull for \$16,500; an A-frame, two-story, one-bedroom home on foam flotation, for \$25,500; a one-story, one-bedroom houseboat on plywood pontoons for \$33,500; a two-story, two-bedroom on Styrofoam hull for \$39,500; a two-story, one-bedroom floating home on a concrete hull for \$70,000, and a three-story, two-bedroom on a concrete hull, for \$75,000. The price range is broad, resulting in a diverse mix of socioeconomic groups.

Monthly berth fees for houseboats in new up-to-code marinas range from \$155 to \$300. A fee schedule developed by one marina owner illustrates how berthing fees are calculated: \$4.90 per foot for overall width of the houseboat; \$2.45 per foot for overall length of the houseboat, plus an additional \$19.60 for a 2-story houseboat, plus \$25 per unit if the houseboat is a rental unit and not owner-occupied. These rates include water, garbage collection, sewerage disposal and one parking stall per unit. As in most marinas, children under 15 years of age and pets are discouraged.



Serving as a ferryboat between bay area cities, the Charles Van Damme now awaits its future.

Floating Homes – Financing

Marin County lending institutions now offer available financing for houseboat purchases. A typical loan would be for 80 percent of the purchase price or of the figure established by the Marine Survey

Appraisal. A Marine Survey Appraisal, conducted by a qualified marine surveyor, for \$90-\$120, is required by the lending institution. This covers an appraisal of the houseboat's superstructure and of its underwater flotation devices. For loans of \$25,000 and over, an interest rate of 10.03 Annual

"A 6 percent sales tax is paid, for floating homes are not considered real property, but personal property."

Percentage Rate (APR) is charged for a 15-year loan. For purchase prices ranging from \$15,000 to \$25,000, a 10.35 Annual Percentage Rate is charged for a 12-year loan. For loans ranging from \$10,000 to \$15,000, 10.96 is the APR and the length of the loan is 10 years. A six percent sales tax is paid, for floating homes are not considered real property, but personal property. Prior to committing the loan, the lender must be assured that the floating home is in an up-to-code marina, that there are proper sewer and utility hookups, and that the houseboat owner



Various styles of houseboats offer a diverse population a unique lifestyle opportunity.



has a lease secured for beyond the length of the loan. The houseboat must be insured for the dollar amount of the purchaser's loan. Floating home insurance rates are high, for the insurance is not the standard Homeowner's policy, but a Yacht policy. Annual rates can run as high as \$1,200 for an \$80,000 houseboat.

Calculating some of the typical monthly costs for a 16x30 foot, two-story, \$25,000 owner-occupied houseboat, would be as follows:

The Yellow Ferry and New Houseboats – Newer houseboats cluster around the old ferry boat that once carried passengers between Mare Island and Vallejo.

Loan amortization

\$20,000 at 11 percent for

10 years \$276.00

Berth Fees \$172.00

Insurance \$ 40.00

Total monthly costs: \$488.00

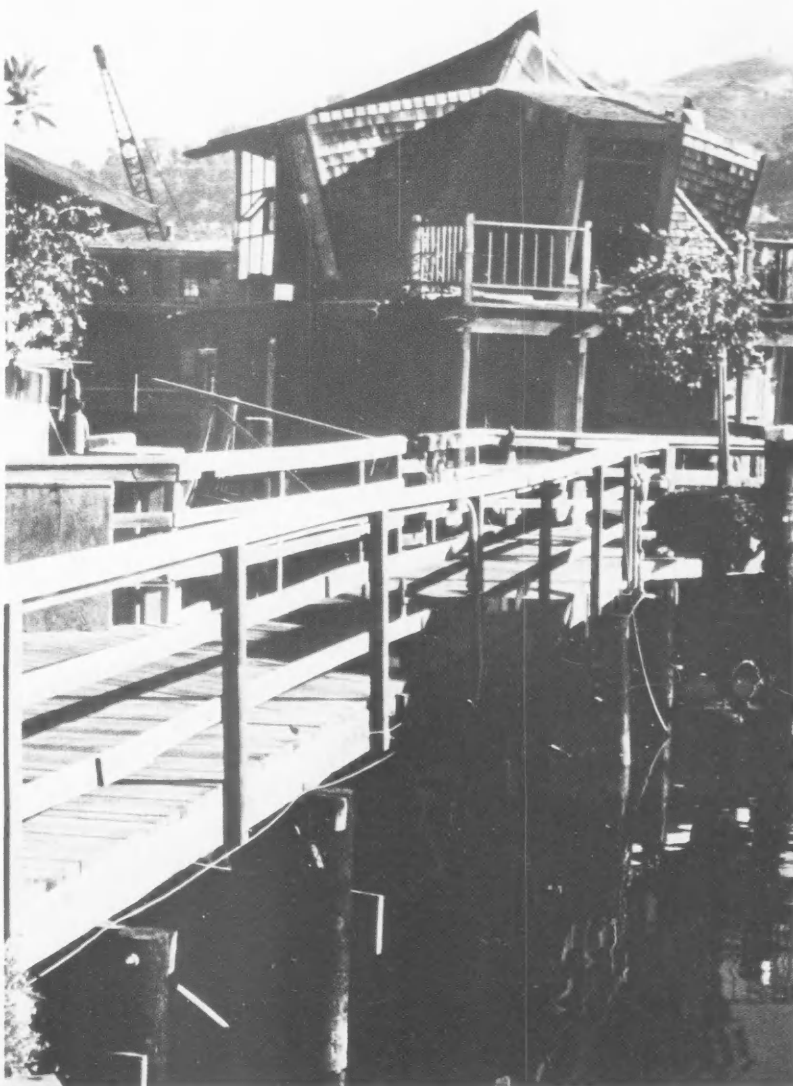
(plus occupant's gas and electricity costs)

Marin County has declared the Waldo Point houseboat community a Code Enforcement Area, and has allocated \$81,000 of its Community Development Block Grant funds for code enforcement loans. The program is administered by the Marin County Housing Authority. The funds are available for owners of substandard houseboats to ease their financial burden in complying with the mandatory sewer and utility hookups and for general code compliance. Loans are now being committed to qualified houseboat owners.

Conclusion

Houseboats, or the newer named "floating homes" have been around for a long time. As a form of housing, they offer an exciting housing opportunity for many people. As government has determined that our citizens should be able to obtain safe, decent, and sanitary housing, the possibility of including these houseboat dwellers in our housing inventory is very desirable. Our cities, with their abundance of waterfront properties can, where climates permit, establish available areas for more houseboat communities. Also, it's time to recognize that these existing outlaw, illegal clusters of houseboats, can be brought into the fold of present-day urban development and zoning policies. Waldo Point has proven that this can be done. National figures for the numbers of houseboats in the country are not available, but the desire to live on a

New docks with all utilities are being constructed to service the houseboat community.



houseboat has a high priority in many persons' minds. All diverse housing opportunities should be encouraged by political leaders and housing professionals. Discrimination against and the use of legislation to ban houseboats outright in communities is tragic and wasteful. New governmental leadership can be taken to increase all types of housing, and houseboats should be ranked in a high priority status.

As one long-time resident stated, "Houseboat owners must work with the water to create something that's visually pleasing to both the occupants and to the people who live around them." He further stated, "The successful essence of living on a houseboat is, (1) to deal with the water in a realistic way and to utilize your environment, and (2) to work to create that feeling of community and that kind of space where people do have the interactions of living together." Another houseboat owner said of houseboat communities, "Once they're there, they're there." For local governments who are reluctant to accept houseboats or floating homes as a legitimate housing form, vast potentials for increasing our Nation's diverse housing inventory are being eliminated. While the new codes and ordinances that have been developed by Marin County for the Waldo Point houseboat community are far from being ideal, the directions taken by local officials and houseboat residents have shown that houseboat living can be integrated into housing and community development patterns of today. In other moderate climate areas, local, State, and Federal governmental agencies can cooperate in establishing new policies that could increase this legitimate and different form of housing.

As a housing choice, houseboats offer a wonderfully different lifestyle where one can live in harmony with the seasons and the water.

Mr. Scharmer is a landscape planner, architect and preservationist.

Shelter Mountain— A Rural Lifestyle

by Anon Forest

At thirty-five degrees, the grey-streaked California morning is cold by anyone's standards. It's mornings like this that make central heating — and even the bill for it — a not unpleasant memory. But the memory fades when the fire in the cook stove catches, and the coffee's put on to start another Back-to-the-Land Day. The chores will range from baking bread to helping neighbors hand winch their pick-up truck out of an impossible rut in the community's road. Hopefully, there'll also be enough time for the wood-working, worm-farming, quilt-making, and other cottage industries which make the land payments, pay the taxes, and otherwise provide those things which we

can't directly produce: kerosene, cooking oils, rice, and so on.

Returning to the essentials of life — food, water, shelter — and the self-sufficient attainment of them is becoming more and more desirable to a wide variety of people throughout the country, and particularly in Northern California. My community, named for the mountain on which it sits — Shelter Mountain — is composed of 40 or so independent landowners who once varied greatly in our social and economic lifestyles. Now we have goals in common: eventual economic independence and a social system based upon the Good Neighbor Policy. Building houses and barns, digging out springs and wells, planting gardens, and getting the winter firewood cut make that policy essential.

Shelter Mountain

Most Shelter Mountain people have very little money to begin with (or end up with, for that matter). A key factor in most family decisions to buy land here is that it is cheap: forty-acre parcels on a 3,000-acre subdivided sheep ranch with an average price of \$300 an acre. Considered undeveloped (no wells, electricity, telephones, or even year-round road), the land is owner-financed and often at around seven percent interest, loans through financing institutions being generally unavailable on raw (undeveloped) land. Payments on an \$8,000 twenty-acre parcel can go as low as \$50 a month and have an annual property tax of \$150 or thereabouts. Just being **able** to afford to buy your own land makes it easy to accept and forgive whatever less-than-Utopian features the land itself may have — and there is a variety.

The road is simply a bulldozed slash---rising switchback after switchback 2,500 feet in a five-mile stretch. In the summer it's a foot deep in powder dust, and in the winter it's clay soup. A normal year will have at least four months of walking up



the whole five miles to leave or get home, often with a pack of supplies in a driving rain. The road is not considered a hardship, however, for two reasons: it inhibits development and keeps the prices and taxes low; it also precludes steady "outside" employment – almost forcing one to figure out how to make money without leaving the land. The result of this last "benefit" is the crowning achievement in country self-sufficiency, and usually the last to obtain. First, you have to have a roof over your head.

Home Construction

Do-it-yourself-on-a-shoestring homebuilding gets pretty ingenious. The 25 Shelter Mountain homes have been built with everything from recycled billboards to 6' x 6' sheets of heavy rubber mats (used for roofing). The most popular material is wood, but it's almost always obtained by milling one of your own trees, or tearing down abandoned buildings and reusing the wood. When new wood must be purchased, it's at the lowest possible grade to be still adequate for the purpose. Recycled windows (replaced with aluminum and then trucked to the nearest dump) and foundation piers made from cast away railroad ties are other common materials.

The houses are small and usually only one to two rooms. Interior walls are not a major priority and all finished work inside the homes usually waits until the time and money is justified. Although simple structures, the homes are comfortable and protect the basic health and safety of the folks and community. Their simplicity is, of course, of economic concern (their costs range from \$50 to \$2,000), but it's also due to the fact that most of these aspiring homebuilders have never built **anything** before, let alone a house! They're also willing to do with a lot less than what's considered a "standard" house.

To compensate for individual ignorance, neighbors pool their collective knowledge

(and labor) in assisting each other in the construction of their homes. House raisings and barn raisings live again in these neohomesteads (it's the same good grounds for a party as I suspect it's always been) and the new-found cooperation and community dependence spill over into collective firewood gathering and pot-hole repair. The tiny homes go up very fast (a month, on the average) but there are many more necessities of life which must be dealt with immediately – the discovery of safe and sane privy construction being high up on the list.

Water Resources

The availability of water in any significant amount is as rare as hen's teeth. That, and the mountainous terrain, earn the land the title of "marginal agricultural." Marginal is an understatement to say the least, but it's

possible to use it for an agrarian life if one makes the best use of whatever resources – like water – are available. The need for a flush toilet is an immediate casualty of this decisionmaking process, as it becomes unthinkable to use the precious commodity of water for the lowest possible quality use.

Time was when a trip out back to the lowly outhouse was less than enjoyable. Folks built them windowless, on the theory that flies didn't like dark places. Today, the availability of plastics and tar paper make it much easier to seal only the holding pit from flies, and as a result the little house on top can be a sunny and pleasant place. Many of them eventually evolve to be almost conventional "bathrooms" in themselves, except the toilet flushes with sawdust and stove ashes instead of water.

The renaissance of the outhouse has created other old/new innovations in sanitation. Privies have been built using 55-gallon drums as the holding pits. Because the full drums can be exchanged for empty ones, and because they can be made completely fly and odor free, these types of privies can be built right on the side of the home – a happy alternative to 2:00 a.m. dashes through the rain. Privies which actually confine the wastes (as in steel drums) periodically produce 55 gallons of fertilizer. The wastes are made safe and healthy by aging and/or heating the drums with solar energy or even fire to purify them.

Secure in one's house (and outhouse) the new pioneer's energies are next focused on water: where is it, and how much. Unless a piece of land has been blessed with a ready source already (most unlikely), up to this point almost all families pack in water by truck and jerry can. Most will never be able to afford a commercially dug well. Some will be lucky enough – to find and improve a year-round spring – a tremendous asset even if it only puts out 100 gallons a day. Others will be more fortunate and be able



to share their water and/or agricultural endeavors with neighbors who end up high and dry altogether. It's easy to see how shared vegetable gardens evolved to the huge farming cooperatives of modern agriculture. It's the same old fashioned country self-help once and still so necessary and revered.

Since water is essential to the production of food, and so important to staying on your land once you get there, running water inside the house usually ends up pretty far down on the "To Do" list. Holding tanks and irrigation systems come first. Vinyl-lined swimming pools and recycled wooden tanks work well (and are relatively cheap) for water storage. Irrigation amounts to a miraculous spigot in the middle of the garden and a tight fist on the hose. No water can be wasted, and innovations in waterless gardening abound. Children are jokingly admonished to cry (if they must) over the cabbage patch. But the first meal of snow peas makes it all worth it, even the inconvenience of carrying water to the house in a bucket.

When the day of the inside faucet finally does arrive, it's usually the result of considerable effort and expense — even using cheap and easily installed plastic pipe. It's not uncommon that the water which flows to our sinks comes from a source 1/4 mile away, sometimes pumped 300 ft. uphill. That's not only a lot of pipe at **any** price, but also 1/4 mile of trench digging to save it from the hot California sun. Needless to say, dishes, bodies, and laundry are "washed in a teacup and rinsed in a saucer."

Much later in the development of the homestead, **hot** running water will be provided through solar heated systems, but for the first few years this luxury is obtained by heating whatever hot water is needed on the trusty wood stove — at least in the winter.

The summer on Shelter Mountain often brings temperatures of 110° F for days on

end. The use of a wood cook stove becomes prohibitive because of the fire hazards to the surrounding dry lands, and the heat it generates in the house. During that season, propane becomes the fuel of choice. Even with lots of baking, the utility bills this creates rarely exceed \$50 a year per household. That's a good thing to try to remember when wrestling down a footpath with a 200-pound gas cylinder.

Benefits of Rural Lifestyle

The benefits folks on Shelter Mountain reap from their lifestyle are uncountable. The experience of doing the best they can with whatever resources they have is a continual learning process. It's also a massive amount of physical labor, crammed into every available daylight hour. And to maintain self-sufficiency means the work will never be less, and spare time will always be as rare as pocket change.

There'll be as many failures as successes. It's not easy to grow carrots in clay, or hold a dying goat in your arms and realize you can't help her yourself, or pay a vet to do it — even if one could get up the mountain road. Mucking horse manure out of the barn in a bone-chilling rain; having the precious old truck break down for the second time in a week; facing the vegetable garden after the deer figured out how to clear the 9-ft. fence — they're all a part of it, too.

Some folks never find happiness without much leisure or ready access to a hot shower, and it's a sad time for everyone when a family gives up and sells their land. The folks who succeed (break even) and find their niche in this lifestyle take note of those failures and, like everything else, learn from them.

Most especially they learn to get along together. That doesn't mean everyone likes everybody all of the time, or does everything the same way. What it **does** mean is mutual respect (or at least toleration) for the differences in people

and the bottom-line dependence on each other.

It's more than housebuilding; it's a pot of soup from a neighbor when the flu strikes, the offer of a loan in a financial disaster, the laughter and skinned knees of the Sunday afternoon volleyball battle, the camaraderie of home-brewed beer. Like most any way of life it isn't easy, but the **simplicity** of the difficulties (regardless of the magnitude) makes living it all worth it.

The sun's going down again. In my house, and thousands like it, it's time to fire up the stove and get the beans cooking. Time to measure out the evening meal for the critters, and secure the chicken coop against another raid from that darn raccoon. Gotta fill the lamps and trim the wicks, and go down to the garden and see if it'll surrender some greens — might be a few turnips ready, too.

A few years ago, I got a good portable radio. Sometimes I can get the educational station in the city that has a program where they read new books. If there isn't too much static, we can listen to that tonight, and maybe make some popcorn. And my neighbor Jerry went to town today and he said he'd pick up a newspaper and bring it by. I didn't get around to canning the last of the green tomatoes today, but I guess it'll wait until tomorrow. Got to change the privy barrel tomorrow too. I forgot that the truck insurance came due this month, so I'm going to have to figure how to make the \$40 I've got left last till my other neighbor can pay back the \$30 I loaned him last month. I understand he finally sold one of those oak looms he's been making. That's sure good news; it's taken him 3 years of awfully hard work to get that little wood shop together.

by Ms. Anon Forrest, Calif. Commission on Housing and Community Dev., Sacramento



Seattle has begun what is probably the most extensive recycling program in the country. Ten thousand families in the city have been offered home collection of glass, newspaper and tin and aluminum cans for recycling. The service, called Separate Our Recyclables from Trash (SORT) will continue for 16 months on an experimental basis. According to *Self-Reliance*, a publication of The Institute for Local Self-Reliance, Washington, D.C., SORT got started because of a problem common to many cities: Seattle's landfills are expected to be full by 1981. City officials have talked about a facility for turning some of its garbage into fuel. But citizen pressure forced officials to consider the alternative of reducing the city's waste flow.

Under a rule announced in November, flood insurance coverage under the National Flood Insurance Act can now be effective in a shorter period of time. Under the new rule announced by the Federal Insurance Administration of HUD, flood insurance is effective 5 days (generally) after the date of application for insurance. Under the previous requirement, insurance could be effective only after a 15-day waiting period. The change applies to applications dated October 30, 1978, or later.

Title X of the 1978 National Parks and Recreation Act creates an urban park and recreation recovery program whose main goal is to provide close-to-home recreational opportunities to urban populations, particularly in economically depressed areas. Grants will be awarded for rebuilding and expanding existing indoor and outdoor recreation facilities.

Legislation signed by President Carter in November created a new 2-year, \$15 million program that will support artistic, cultural and design projects, particularly in urban neighborhoods where projects can serve as a catalyst for revitalization and for developing a sense of community pride. The HUD program — "Livable Cities" — is authorized by Title VIII of the 1978 Housing and Community Development Amendments. It is modeled after the National Endowment program with the same name.

The new director of the Federal Crime Insurance program is Amir (Le Roy) Spears, who was an insurance underwriter before coming to HUD in 1976. Federal Crime Insurance is available in 22 States, the District of Columbia, Puerto Rico and the Virgin Islands. There are over 54,000 policies in force representing \$233 million worth of residential insurance and \$119 million in commercial insurance.

Through the First National CWAO Conference (Coalition of Women's Art Organizations) artists will speak directly to their congressional representatives. The First National Conference opens on Sunday, January 28, 1979, in Washington, D.C. For further information call, Ellouise Schoettler, (301) 652-3811 (Chevy Chase, Md.) or Joyce Aiken, (209) 299-3234 (Clovis, Calif.).

Following through on recommendations of the Task Force on Housing Costs, Secretary Harris recently named William J. White, General Manager of HUD's New Community Development Corporation, Special Coordinator for Housing Costs. White will serve as Chairman of the HUD Housing Costs Committee comprised of eight senior departmental executives.

It is estimated that the combined effect of the Administration's five-part energy plan signed into law in November will result in savings of about 2.5 million barrels of oil a day by 1985. The National Energy Act was submitted to Congress in April of 1977. The measure authorizes a \$100 million program to be administered by HUD.

In conjunction with the Urban Land Institute, HUD will sponsor a National Conference on Controlling Housing Costs through Improved Land Use Practices. The conference will run from Feb. 25-27, 1979, at the L'Enfant Plaza Hotel in Wash., D.C. Ways to lower housing costs through Federal, State and local efforts will be explored.

Washington, D.C., maintains a "library" of more than \$5,000 worth of tools that are available to anyone who holds a card, just as in a book library. According to *The Washington Tribune*, lessons in the use of the tools are available free of charge through a series of home maintenance and repair workshops throughout the city. The tool library is operated by a private, nonprofit organization called Neighborhood Housing Services.

In Print



***Progress without Poverty*, by Peter S. Albin. New York, Basic Books, 1978. 229pp. \$13.95.**

Progress Without Poverty, by economist Peter S. Albin, was written for the purpose of detailing a new perspective on the relationship between economic growth and social problems and how management of growth can help in correcting society's ills. For Albin, the topics bound up with the issue of growth include: welfare and poverty, education, urban problems, economic crises, technology, unionization, political enfranchisement, environmental issues, social unrest, and general lifestyles. Many problems have arisen from "misperceptions and mismanagement" of the growth process: in a nutshell, material and social well-being have not become sufficiently widespread. However, Albin's answer is not in turning one's back on modern growth processes, which he believes would lead to positively ill effects; rather, the answer lies in structuring this growth in a humane way.

Central to Albin's view is the fact that there exists a population of people who are unemployed or stuck in low-paying jobs and who are frozen into their situation by circumstances. Hardcore unemployed – usually those with little education or those who are unskilled – increase greatly in number during low-growth periods (which aren't inevitable with proper control, he maintains). Their legion is also likely to grow even during periods of high growth. As productivity increases with technology, the managers and skilled and educated workers share in the profit, but there is no incentive, Albin claims, to greatly expand the workforce to recruit and train the hardcore unemployed. And those companies which are less technically equipped than other companies must cut back workers in order to be able to offer prices for goods that are competitive with those of technically advanced ("progressive sector") companies.

Exacerbating the situation is the fact that educators demand wages commensurate with those in the progressive sector. But education is often wrongly seen as a field that is relatively lacking in technical progress and productivity. Hence, either cutbacks that affect the quality of education result, or a rise in tuition occurs. It is just these unfortunate consequences that make it even more difficult for the hardcore unemployed to become educated and skilled in order to better themselves. And for Albin, education is crucial for this purpose and for fostering economic growth. Equally as bad, other social services suffer the same fate as education. Thus, with present socio-political mismanagement, poverty and recession become likely consequences.

At the same time, the poor who have come to cities for jobs find few opportunities. The cities find themselves with a shrinking

tax base, services suffer and ghettos and class lines emerge along with crime and a loss of commercial and cultural vitality.

Albin's solution begins with a new economic orientation. In most systems manpower requirements are calculated to fit material goals; Albin contends that we should instead stipulate workforce goals – employment, wage and personnel quality levels – and then calculate the material output required to support the standard of living implied by this socioeconomic structure.

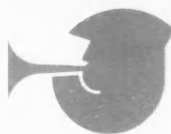
The initial task at hand involves restoring economic growth, so lacking in recent years, in order to restore business and individual confidence in the future. Once this is accomplished, business would find it worthwhile to make long term investments in technological research, education, etc., rather than to engage in unproductive, quick profit-seeking. Albin suggests that the government explore methods of channeling private investment into productive, rather than speculative, avenues. The author states that, at present, growth can best be achieved by giving tax incentives and perhaps subsidies to certain large, progressive industries to be used for technical research and development and for recruiting and educating/training a large workforce. Once growth has occurred – and Albin believes it can without damaging the environment – it is likely that there will be a strong Federal and local tax base which can easily support relief programs, urban renovation (rebuilding, mass transit, increased public sector employment) and educational programs.

Ultimately, he hopes, there will be an independent agency comparable to the Federal Reserve System, coordinating growth, stabilization, technological change, education and manpower, with human goals in mind.

Throughout the book, Albin has maintained a pragmatic viewpoint: anything about the system that fosters his plan of humane growth stays, anything else should be dismissed. Thus, he may be scored by the political left for not being Marxist enough, and by the right for being pro-government interventionist – though he claims his plan of intervention will be unobtrusive, if not actually welcome by business.

Albin appends the text with mathematical models involving parameters relating to economic growth, education and urban issues. These models may be clear to economists, but may not be comprehensible to the average reader.

Aaron S. Dann
Chief, Information Services Branch,
HUD Library



"It is apparent that 3.8 million resale homes will change hands in 1978, despite the psychological barrier of interest rates at and above 10 percent. There is simply an unbelievable demand for housing. We believe it is fostered by two things: The deep-rooted desire by Americans for homeownership, and the attractiveness of a home as an investment, which has been fueled in recent years by the inflation that has driven home prices up more than 10 percent a year."

Tom Grant, Jr. Pres., National Association of Realtors, speaking at the annual convention of the Association Honolulu, Hawaii, Nov. 13, 1978

"The Neighborhood Preservation Program [in New York State] is based on the concept that local community organizations are both aware of the needs and problems of their neighborhoods and can best design programs to meet those needs. The innovative program builds on the strengths and resources already existing in the community and recognizes the vital role of active local groups in stabilizing and revitalizing their neighborhoods."

New York State Housing Commissioner Victor Marrero announcing the award of funds to nonprofit groups for neighborhood preservation activities, Nov. 1, 1978

"As energy prices rise, disposable income shrinks, volume of unit sales decreases, and the quality of mortgage and installment loans is lower, causing more defaults. . . . Realtor cooperation is critical for conserving energy in this country. I don't think regulation can do everything, so I'm asking for the voluntary cooperation of Realtors."

Peter Back, Acting Director of the Residential and Commercial Building Division, U.S. Department of Energy, Nov. 13, 1978

"I call particularly on the media, on lenders, and on builders in this regard to do what they can to restrain housing speculation. Plain and simple, for many, housing is becoming an investment rather than a necessary commodity. The desire for speculation is replacing the need for shelter – and in the long run this is unhealthy both for the housing industry and for the consumer."

HUD Under Secretary Jay Janis speaking at the Florida Housing Conference, Tampa, Florida, Nov. 13, 1978

"The truly American art of our neighborhoods, communities, and rural areas will influence the artistic complexion of this country in the 21st century. It has the potential for broadening creativity and developing aesthetic perspectives to a greater extent than at any period in our history. To develop this potential is the goal of the Expansion Arts Program."

Livingston L. Biddle, Jr., Chairman of the National Endowment for the Arts, announcing the appointment of A.B. Spellman, Jr., as Director of the Endowment's Expansion Arts Program, Nov. 13, 1978

"At HUD, we hope to launch a cooperative effort with State and local governments to mitigate the inflationary impact of local land-use regulations. . . . Through better management and administration of our programs and through incentives to the private sector, we will continue our efforts to revitalize America's cities and fulfill the Congressional mandate to insure decent, safe and sanitary homes for all Americans."

HUD Secretary Patricia Roberts Harris, speaking at the National Association of Realtors Convention in Honolulu, Hawaii, Nov. 14, 1978

"This demonstration program will test the assumption that local fair housing groups can have a greater impact on local housing market practices than any other single factor. It will also provide the opportunity for expanding the partnership of HUD and the private sector in Title VIII enforcement."

Edward L. Holmgren, Executive Director of the National Committee Against Discrimination in Housing, Inc., commenting on a HUD/NCDH Fair Housing Demonstration Project announced Nov. 20, 1978

"We can begin to educate ourselves about the problems cities and neighborhoods have in unused rights-of-way and the constraints to their re-use. At the same time, it is impossible to avoid optimism about the opportunities for redevelopment they offer."

HUD Assistant Secretary Robert C. Embry, Jr. commenting on HUD-sponsored Conference on reuse of large urban tracts, Nov. 14, 1978.

Who Said a Warehouse Is Not a Home?

by Horace Sutton

This article appeared in the July 23, 1977 issue of Saturday Review.

As a tool employed by those who wear hard hats and work to refashion the urban face, the wrecking ball is as out of style as mud and wattle. The urbiculturist — give a multimillion-dollar skyscraping enclave or two — move now not to knock down and build anew, but to make over, or, to use today's *mot juste*, to recycle. Boston reworked its old waterfront; Newport, with private financing, rebuilt a clutch of colonial houses; Philadelphia turned tenements into natty town houses.

But the zestiest make-over of all is New York's SoHo, which was born — or, in the current phrase, born again — because of an artistic fluke. It has emerged, 10 years after it began, as one of the city's most highly seasoned sectors, an anomaly for its residents, a marketplace of worldwide importance in art circles, and a tourist curiosity, especially on weekends.

New York's SoHo, no kin to London's, is an area of 26 city blocks bounded by Houston Street on the north, Canal Street on the south, Broadway on the east, and Sixth Avenue (more grandly known, lately, as the Avenue of the Americas) on the west. It is called SoHo and spelled with two capitals because it identifies itself as the area south of Houston Street, a cognomen that in New York, anyway, is pronounced — visiting Texans take note — as if it were spelled *how-ston*. In the ripe precincts of lower Manhattan, which possess a certain cultural kinship with Brooklyn, Sam Houston, pronounced *hew-ston*, is not a celebrated folk hero.

John Jacob Astor, the Heidelberg fur trader who emigrated to America at the age of 20 in 1783, snapped up large blocks of SoHo real estate in the early 1800's, including a preserve once occupied by John Adams when he was Vice-President. A score and a half of Federal houses still stand in SoHo, sandwiched in between the warehouses and the lofts that were once the premises of great New York stores — Lord and Taylor, Arnold Constable, Brooks Brothers, and Tiffany's.

In the mid-nineteenth century, before the invention of steel skeletons and high speed elevators, buildings were fitted out with prefabricated cast-iron facades. The strength of iron allowed broad windows and expanses of floor space wider than a roller rink. Moreover, the facade could be cast in any design from Queen Anne to fussy Italian; it could be ordered to suit the taste of the owner, and many newly minted magnates enshrined the architectural accents of the homeland from which they had emigrated.

It is a question of who uncovered the inherent beauties, or historical significant — whichever — in New York's cast-iron buildings. It may well have been the artists who, 10 years ago, began to move into the lofts, or it could have been the architectural buffs themselves. No matter. The artists are ensconced behind the iron facades, and there is both a book on the subject (*Cast-Iron Architecture in New York*, by Margot Gayle and Edmund Gillon, Jr., Dover, \$6) and a cast-iron association, called Friends of Cast-Iron Architecture. The cast-iron people sell the book, conduct spring walking tours, invite interested parties to join their group, and publish a four-page list of cast-iron buildings in SoHo.

The artists came upon SoHo's lofts because the space needed to accommodate large works of art was impossible to find uptown. In the beginning, using a loft as a habitation was

illegal, and when inspectors came knocking at the doors to the lofts, there were hasty efforts to camouflage beds. But in 1970 the city legalized the residential use of lofts by artists, and the neighborhood underwent a muffled but highly audible implosion. Three years later, SoHo was officially designated as a historic area. The Landmarks Preservation Commission, knighting the neighborhood with instant heritage, noted that cast-iron architecture was a significant contribution to the "subsequent development of the skyscraper, which is this country's outstanding contribution to world architecture." It called the metal-and-glass skyscrapers that are the mark of New York today direct descendants "of their modest prototypes between Canal and Houston streets."

Now SoHo had legitimacy and legal protection, not to mention significance. The outsized works of art created in the lofts of SoHo may well have marked a new art trend — photorealism to mention one departural style — but they proved a problem for the dealers cramped into relatively small and expensive quarters on Madison Avenue in New York's tiny high-rent district. As a result, the dealers moved south, too, and by the end of the 1970-71 season, SoHo was on its way to becoming a thoroughly integrated art center. Creators and sellers were all clustered in one compact area. They needed only the buyers.

SoHo's residential lofts have become more elaborate and more expensive. A loft sold or rented "raw" means considerable expenditures in plumbing, electric lines, flooring, finishing, and painting.

Residentially, SoHo is not exactly JUNKSVILLE. A notice tacked to a gallery bulletin board recently read: "Beautifully, totally finished co-op loft for sale, \$90,000." In the code of the quarter, "finished" means plumbing is

installed and floors scraped. Another heralded a "Tribeca loft, 11-foot ceilings, north and river view from 7th floor. Clean. Semi-raw. \$300 per month and fee." In the patois, "tribeca" signifies the triangle below Canal Street. Lowell Nesbitt, a painter who has lived in SoHo ever since it was legal to do so, occupies a loft so large he has it divided into nine rooms. He maintains five people on his payroll, including a Chinese chef, and pays \$700 a month rent. Not exactly urban renewal in the accepted sense.

Even at those prices there are some heavy drawbacks. Industry continues to live in SoHo, intermingling with the art colony. This means rumbling trucks, dirty streets, and soot-speckled air. Cabdrivers being taken to places in SoHo are forever asking their fares if they are sure they have the right address.

Lofts that do not contain artists and their Chinese chefs may well contain such tenants as the Standard Paper Box Machine Company. Signs next to arty digs may advertise the tenants (as one does) as "dealers in cheesecloth, wiping cloths, wool rags, woolen clippings, furniture pads and drop cloths."

There is a spillover, too, of Italians from Little Italy. St. Anthony's festival, a street fair of considerable renown in lower Manhattan, is a June event along Sullivan and Thompson streets, a storefront screened from public view identifies the premises of the Sullivan Knights (members only), a private Italian club. There may be Federal houses interlarded here and there, evoking memories of Washington, Lafayette, and John Adams, all of whom frequented the quarter, but this is also, artists aside, a robust neighborhood in the New York style, where sweaty types in tank tops, kerchiefs tied around heads, whack away at handball, basketball, and paddle ball on the concrete playing fields of Gotham.

The new bohemian chic has displaced some of the old Italian landmarks that served those newly arrived countrymen who coexisted with the factories. Napoli Restaurant, where a slummer from uptown could come for a plate of spaghetti for 75 cents, has been replaced by the SoHo Charcuterie. The old pressed-tin ceiling is still there. From it are suspended white industrial lamps and buckets of ferns. One day last spring the sideboard was decorated with a huge spray of magnolia blossoms. Very New York elegant.

No spaghetti now. The menu calls for Brie on a baguette, brioche stuffed with chicken tarragon, mimosa salad with Black Forest ham. The customers sit at spare, butcher-block tables. The decor is fresh fern on white. Up front in the charcuterie, the take-out customers are ordering slices of *paté* of wild duck and *paté de lapin*.

SoHo Charcuterie is fresh-faced; Berry's is dark, serves classical music, runs a good bar, presents a French menu. Everybody goes to the Spring Street Bar, which has no name on the door. The actual address is 162 Spring Street. Brick walls. Cane chairs. Flowers on the tables. Skylight. It makes no pretense in the kitchen, serves chili with rice, quiche, a hot meat loaf sandwich, broccoli vinaigrette. Its vegetables are not carrots and peas. They are chalked on the wall — snow peas and artichokes. The kitchen does a salad of cabbage, bacon, and spices.

Its neighbor, Oh-Ho-So — well, don't try to work anagrams with that one — hides behind glass windows tinted black. Tables and chairs are assorted and unmatched. Green plants hang everywhere. A two-story-high bamboo extravaganza reaches for the skylight. The inevitable industrial lamps look down on servings of spicy angry chicken, yam yam duckling, and barbecued duck liver — a Chinese-tinted menu. A part

owner is Ivan Karp, the shogun of SoHo, whose Broadway gallery is called O.K. Harris Works of Art.

In his gallery, an enormous prairie of parquet floors and whitewashed brick walls, Karp serves photorealism paintings of Kentucky Fried Chicken parlors and finned autos of the 1950s. He gets, or asks, \$250 for a numbered print of the Warhol soup can. But \$6 will buy a T-shirt that proclaims, "O.K. Harris Works of Art."

Prince Street is a confusion of put-on, superserious counterculture, displaced Madison Avenue folderol, and artistic boff. The Cheese Store spreads its wares as if it were preparing the midnight buffet on the *Ile de France* — goat cheese, Brie, baguettes, and beluga (at \$30 for four ounces). Somebody up in those lofts is loaded with *gout*. Across the street, the establishment known as Whole Foods keeps a dazzling inventory of nuts, beans, seeds, steel-cut oats, rye berries, red lentils, and (at 60 cents a pound) soy grits.

The Prince Street Bar displays what it calls showcase talent from midnight to 4:00 a.m., Sundays through Thursdays. It demands auditions first. An emerging tippler, no more than half a sheet into a passing zephyr, might look up in some wonder at the structure on the corner where Prince meets Greene. The cast-iron building once had a twin, but it was excavated, and the plot sits there now, empty as the socket of a pulled tooth. The exposed side of the building was a wall of uneven brick after its neighbor went. But the painters came and put up a trompe l'oeil cast-iron facade, complete with a painted dozing cat.

Art, cabaret, and respectable dining are all combined at The Ballroom Restaurant, as renowned for its kitchen as it is for a 1-4 foot mural that depicts a scene in The Ballroom itself. Artists of local and art-world celebrity are shown in startlingly

vivid poses, seated at tables or tablehopping. Robert Indiana, the noted contemporary artist, and Ivan Karp, the pioneer SoHo art dealer and all-around entrepreneur, are among those portrayed in the scene, which, as restaurant art of putative historical import, has been compared with Ludwig Bemelmans's brushwork in the Carlyle Hotel uptown, Maxfield Parrish's mural for the St. Regis, and Howard Chandler Christy's murals, which were retained at the Café des Artistes when it was recently reopened. Thus SoHo, only 10 years old, has already left a historical marker, and what better way than in the medium that created it in the first place?

Galleries can take any form in SoHo, veering from the traditional expanse of parquet floor, as large as a gallery in the Prado, to the inkpot called Let There Be Neon, at 451 West Broadway, across the street from The Ballroom. Only in semidarkness can this gallery's wares be shown, for they are all sculptures — if that's the right word — in neon tubing: cityscapes, a frame for eyeglasses, and, most arresting of all (for \$275), a smoking pistol.

The Phantom Forum on Broome Street mixes café, art, and fashion. The clothes are high costume design. The designers go back to the Twenties with eight-paneled dresses, which they produce in silk and taffeta and also in silver lamé, the price changing according to the fabric. For the inauguration of President Carter, one of the owners, Louis Andrade, a Madeiran, wrote a playlet as a tribute to the new President. It was presented, along with refreshment and the showing of clothes, for 3 days running, an occasion that apparently didn't faze Phantom Forum's neighbor, the Standard Paper Box Machine Company.

Perhaps because the whole concept of SoHo was founded on the image of the starving artist working in a loft, one restaurant chose to call itself W.P.A. In a

decor that is all black — black tablecloths and black dishes — except for WPA murals, customers dine on Wellfleet oysters, Longboat pompano, sweetbreads, veal, and oysters in a pastry shell. Dinner for two can come to \$50, no WPA grant.

Anyone who can't afford SoHo might head north of Houston. That's called NoHo. No negativism intended, mind you, only an acronym, and a derived one at that. But the imputation is there, unmistakable as a smoking handgun in a plugged-in neon sculpture.

A Working Model of Neighborhood Governance

by Bill Bastuk

Over the course of four years of involvement in the neighborhood movement (first with the National Association of Neighborhoods in Washington and now with WEDGE, Inc. in Rochester, New York) I have had the opportunity to witness a variety of revitalization programs initiated and managed by neighborhood organizations. As I have observed these voluntarily initiated efforts a dominant factor in the determination of program success has been the degree of cooperation between agencies of local government and the local financial community. Where neighborhood groups have successfully solicited the involvement of these sectors, the programs have effectively reversed a deterioration of the neighborhood housing stock.

The Neighborhood Housing Services program is a national symbol of the potential benefits of neighborhood-controlled housing programs when they are operated with the cooperation of local

government and financial and industrial leadership. It is these two elements of neighborhood control and public/private cooperation which have enabled the NHS program to operate smoothly and effectively. The element of neighborhood control evolves out of the willingness of the public and private sectors to recognize that homeowners who have watched their neighborhood decline have the firsthand knowledge necessary to develop their own strategies for neighborhood revitalization.

Rather than attempting to design a program to meet Federal and State regulations, the NHS program promotes the flexibility and creativity necessary to design a program that first meets the needs of neighborhood residents.

Neighborhood Control

The impact of the flexibility of neighborhood control is best demonstrated in two NHS services: a comprehensive code enforcement program and a high risk revolving loan fund. The goals of the code enforcement program are developed by neighborhood residents in conjunction with local government. NHS workshops help residents understand how the city code enforcement process is administered and what it means. Residents can then apply city standards to a code enforcement program which is responsive to the major repairs necessary to upgrade blighted properties in the target area.

The result is that residents see inspectors not as "sticklers with police powers," but as understanding public servants. Major mechanical violations, such as poor drainage systems and old wiring are given priority over relatively less important violations such as inadequate home lighting.

It is after inspections are made that the NHS Board decides what is necessary to enforce improvements and how to follow up for compliance. In Cleveland, violation information is plotted on a map

with colored pins and in Baltimore neighborhood residents place a sticker in their windows signifying that they have brought their homes up to code. The code enforcement succeeds because trust is built through the participation of neighbors in designing and explaining the program.

The high risk revolving loan fund is the essential follow-up tool for bringing homes up to code. Through the fund, \$200,000 to \$500,000 is made available to residents for home repairs. Because the criteria for use of the fund is developed by the NHS Board, the needs and income levels of every neighborhood resident are considered. Normally, the standards are such that virtually every neighborhood resident in need of home improvements can qualify for use of the fund, with an interest rate adjustable to individual characteristics.

The code enforcement and loan fund programs promote visible property improvements which generate increased voluntary preservation efforts by residents, even those who may have been considering moving to another neighborhood. The results are the stabilization and promotion of the diversity in the neighborhood. The low-income couple with the eyesore home has the opportunity to restore the property while the middle-income couple living next door, seeing the improvement, decides to remain in the neighborhood and invest in upgrading their own home.

The flexibility of neighborhood control also means that the NHS program can respond to different neighborhood housing concerns which may not be citywide problems. In Baltimore the high number of tenants in the NHS target neighborhood leads to a program which emphasizes homeownership. In Rochester the Edgerton/Brown Square Neighborhood Housing Services program will involve a special effort to halt growing neighborhood abandonment and repair foreclosed homes.

Cooperation

The element of cooperation stems from the banks' recognition of their responsibility to act as pillars of the community. Financial institutions involved in the NHS program assess their social policies and move from a role of collectors of money to financial counselors for residents. Lenders make a commitment to invest funds in the neighborhood and make greater use of NHS financing mechanisms such as 312, 235 and 221 funds for home improvement. NHS workshops result in

a new partnership, but also in increased confidence in the resident as a borrower of funds.

Cooperation means that local government also makes a commitment to reinvest municipal services into the neighborhood. Streets may be repaired in the target neighborhood or sanitation services improved. An earnest sign of cooperation is the willingness of local government and banks to allow residents to serve as a majority of the NHS Board, thus raising neighborhood residents to a new level of public responsibility and authority.



Edgerton

face-to-face discussion between neighborhood residents and financial leaders. Neighborhood residents are recognized by banks as legitimate policymakers, and this results not only in



Edgerton



Edgerton

The NHS program also successfully reduces the distance between the bureaucrat and the resident. By walking down the block to the neighborhood-based NHS office, residents can obtain qualified staff assistance to undertake the paperwork necessary to apply for financial assistance from local banks and the Federal Housing Administration.

Conclusion

The capability of the NHS program as a tool for organizing neighborhood residents cannot be overlooked. Already, here in Rochester with the program only in its developmental stages, a number of potential neighborhood lenders have been identified. The high risk revolving loan fund, the code enforcement program, and visible support of bankers and government officials are incentives for motivating and mobilizing volunteers.

Very often eligibility criteria for financial assistance and code enforcement pit residents against one another. However, because of the flexibility in criteria for use of the revolving loan fund and the sensitive code enforcement program, the NHS brings together low-, middle- and upper-income residents from a variety of racial, ethnic and socioeconomic backgrounds.

*St. Anthony's in the heart of Edgerton*

Finally, from an organizing standpoint, the high success rate of the NHS program and the direct benefits homeowners receive from the program give residents a sense of roots in their neighborhood and the feeling of accomplishment necessary to maintain their involvement in the neighborhood organization.

A challenge for neighborhood organizations involved in NHS in the future is to build a new partnership with other institutions and groups. Insurance companies may be persuaded to give rebates to consumers for home repairs, such as fixing a faulty electrical system, which will reduce risk. Local fire

*Brown Square**Brown Square*

departments could develop arson task forces in neighborhoods with high rates of fire. Problem youth may be engaged in repairing, rather than destroying, properties while trade unions may volunteer time to provide the necessary training.

Through the eyes of the neighborhood organization, the NHS programs not only succeed in the restoration of neighborhood housing but also demonstrates what neighborhood organizations and residents can achieve, once adequate financial resources and local government technical assistance are made available.

Mr. Bastuk is a Community Organizer with WEDGE, Inc., Rochester, New York.

Photos by Bob Lou



International Affairs



Great Britain's Program to Better House One-Parent Families

In 1974 the Ministry of Housing in Great Britain set up a Committee on One-Parent Families which was to thoroughly study the present and future developments surrounding one-parent (or single-parent) families in Great Britain. In 1975 after the study was released, the Minister of Housing said that there would be a housing drive to secure better housing for one-parent families. He then instructed his staff to prepare a Circular commending the majority of the housing recommendations in the study to the local housing authorities and building societies. The Circular, issued in 1977, stresses that the needs of one-parent families must be integrated into the provision of housing services by the local authorities.

Following in summary form are the major conclusions and recommendations of the study on one-parent families.

Conclusions:

- One in 10 of all families in Britain is a one-parent family and 1,200,000 children are involved.
- More than 8 out of 10 lone parents are women.
- More than half of all lone parents are divorced or separated. Single women with children are the smallest group, being even less numerous than men on their own with children.
- The rate of marital breakdown is high and rising. Up to a quarter of all marriages currently taking place are likely to end in divorce or separation, so that the number of lone parents will also rise.
- The incomes of lone parents are, on the average, half those for two-parent families and 40 percent depend on supplementary benefits.
- Because of their low incomes, lone parents tend to be particularly dependent on the public sector for housing and child care facilities.
- Because so many emotional, financial and housing problems hit lone parents simultaneously, they will often need intensive support, though probably for a relatively short time.
- As lone parents seldom have incomes high enough to enable them to buy housing, the decline in the supply of private rented property means that they are becoming increasingly reliant on help from the local authority.
- Currently, about 33 percent of all homeless families are one-parent families.
- If crises are to be prevented, local authorities will need to coordinate their policies and practices with other housing and welfare agencies.
- In providing for lone parents, local authorities tend to try to manage crises rather than prevent them.
- The evidence is that one-parent families are often not treated equally with two-parent families when they are housed by local authorities.

Recommendations:

- Where points are used in the allocation of housing, a lone parent should qualify for the same number of points as a married couple with the same number of children.
- Residential qualifications should be abandoned.
- If children have been taken away from the parent or are in danger of being taken away from the parent, rehousing of the family should be given the highest priority.
- One-parent families should be housed in ordinary family housing, not segregated together.
- Lone parents should be housed in the same size accommodation and the same quality accommodation as two-parent families with the same number of children.
- Sympathetic consideration should be given to transfer requests by lone parents – both within and between authorities.
- Authorities should act promptly on transfer requests in cases of marital violence.
- The advantages and disadvantages of sole and joint tenancies should be explained to all couples being housed by local authorities.
- Authorities that will not house cohabiting couples should discontinue this policy.
- Local authorities should *not* exert pressure on women to return to their husbands.
- Local authorities should act early in arrears cases to try to prevent the debt from growing.
- Building societies and local authorities should accept interest-only payments while the need remains, even if it is for an indefinite period.
- Refugees should be provided for "battered women."
- Housing advisors and local authorities' staff should be selected for their ability to sustain sympathy and understanding for clients, even under stress.
- Joint training sessions for housing and social services staff on one-parent families are strongly urged.
- Local authorities should review their policies and practices on the housing of one-parent families and see what impact they are having on the quantity and quality of housing the families obtain.

Many local authorities have attempted to implement these recommendations and are keeping records on the successes and failures of the implementations. Other local housing authorities are now making plans to implement the recommendations and will soon do so.

For further information on this innovative program, please refer to DOE Circular 78/77 and *The Housing of One-Parent Families*, Housing Services Advisory Group, Department of the Environment, London, England, 1978.

*Susan Judd, Information Specialist
Office of International Affairs, HUD Central Office*

Lender Participation in Cooperatives

by Alvin Bonnett

The availability of middle-income housing has been on a relative decline for several years. There are numerous accounts of the problem in terms of need, supply and related reasons. Builders point to environmentalists; environmentalists point to bureaucracy; bureaucrats point to labor; labor points to lending institutions, and so on in efforts to explain the problem and affix the blame. To further confuse the issue, speculators are able to profit from the conversion of existing rental properties into condominiums; this tends to further reduce the supply of rental properties. The overall effects of limited supply and conversion are also compounded by speculation and the refinancing of rental properties which insures that rents are maintained at the highest levels.

The Middle-Income Consumer

When middle-income housing is not supplied by the marketplace and when rental units are gradually lost to more expensive condominium conversions, the result is a massive squeeze on the middle-income consumer. This situation has been well documented, especially for housing in the inner cities.

The consumer in this case is largely the middle-income renter or homeowner who has an adequate income but limited assets. Typically, this means that buying a home is difficult, although the consumer has the income necessary to carry a mortgage. For many middle-income families, there is the strong desire for homeownership but it remains a far off and possibly elusive goal.

Middle-income housing consumers have the common need for a home with

reasonable monthly expenses. This housing typically meets the need for a place to live and does not necessarily represent a financial investment. The benefit of this housing to the consumer accrues on a continuing use basis rather than as an investment return. It allows the consumer to apply a limited income toward the satisfaction of numerous needs in addition to housing.

This simplified portrayal of the middle-income housing market, which is usually met with rental housing, is now being adversely affected by the factors of limited supply and conversion to higher-income housing.

It was in recognition of this rental housing problem that several associates and I began to study alternatives for a different approach. The following description is a proposal which shows considerable promise for solving the problem, particularly in the inner-city where the situation is worst.

"It was in recognition of this rental housing problem that several associates and I began to study alternatives for a different approach."

Seeking Solutions

An appropriate solution, we advised, should achieve three major goals: First, monthly housing expenses must be minimized without any reduction in housing quality. Second, housing expenses must incorporate controls to limit future increases due to inflation, profit-taking (refinancing) and speculation through resales. Third, and because it represented a common consumer goal and additional tax advantages, the solution should provide for homeownership and its related benefits. These worthwhile but potentially conflicting goals were then

subjected to the realities of real estate practice and financing.

The answer seemed to lie with a homeownership system that incorporated both an inducement for financial institutions to lend at favorable terms, providing day-to-day benefits to the consumer, and an opportunity for future financial benefits to the lender.

The model for this answer emerged from our work on a housing cooperative being developed in the City of Berkeley, California. Equity controls have been established in that project to assure the long term availability of the homes for lower income families. The total equity growth is to be divided between the membership and the cooperative corporation. The corporation's equity, which cannot be assigned to the membership, may be assigned under specified circumstances to the City. Other reasons for this control were also related to large investments by the City and to assure long-term success of the project.

The concepts used in the Berkeley project were only slightly modified while we developed the model of a lender-participation cooperative. *The major difference incorporates participation by a lending institution to trade off favorable mortgage terms for future financial returns.*

The model may be used where, for example, a rental housing project is purchased for conversion to a housing cooperative. The loan terms would be arranged by adjusting the interest rate downward from the prevailing market rate by offsetting the difference with the present value of the estimated future increased-value increment. This increment, as the difference between present value and future value, would represent a lien on behalf of the lending institution to be settled upon resale or by refinancing.

In the accompanying Mortgage Amortization Diagram, the loan (A) would be made to the cooperative corporation following fairly conventional practice. The cash difference (B) between the loan and the purchase price would represent the total of downpayments supplied by the cooperative members.

The members' limited equity growth would actually constitute a major control because membership value at any point in time would be defined by mortgage amortization and not market value. This control would serve to maintain the project for middle-income buyers although downpayment would eventually become a necessity in most cases. The cost of downpayment financing would, however, be offset by the continuing benefit of a fixed mortgage.

At the mortgage term of this example, the cooperative would own that portion of the project defined by the original market value. The increased-value increment would then be equal to a lien payable to the lender. The cooperative, which during

the mortgage term has received the day-to-day benefits of a lower mortgage rate, would then have the choice of: (1) refinancing the increased-value lien as a new loan (shown as C on the Diagram); or, (2) selling the entire project to settle both the lien and the existing equity (D) held by the members.

Although this example has allocated 100 percent of the increased-value increment to a lender lien, this decision would ultimately be the result of negotiation between the lender and the cooperative. Also, this lender-participation example was developed around a proposed conversion but it would perform equally well or better for new construction. The opportunity for using HUD/FHA mortgage insurance with new construction has the potential for improving mortgage terms for the cooperative. Section 213 or Section 221 (d)(3) Market-Interest Rate projects, for example, could be developed as management-type cooperatives where the projects would be substantially presold prior to the start of construction.

Another variation could be developed around a conversion where the seller rather than the lender would accept a note payable at mortgage term. This note would allow the same benefits for the cooperative since the mortgage and related monthly charges would be reduced. Tax benefits accruing to the seller from the deferred payment could also be considered in the financial arrangements.

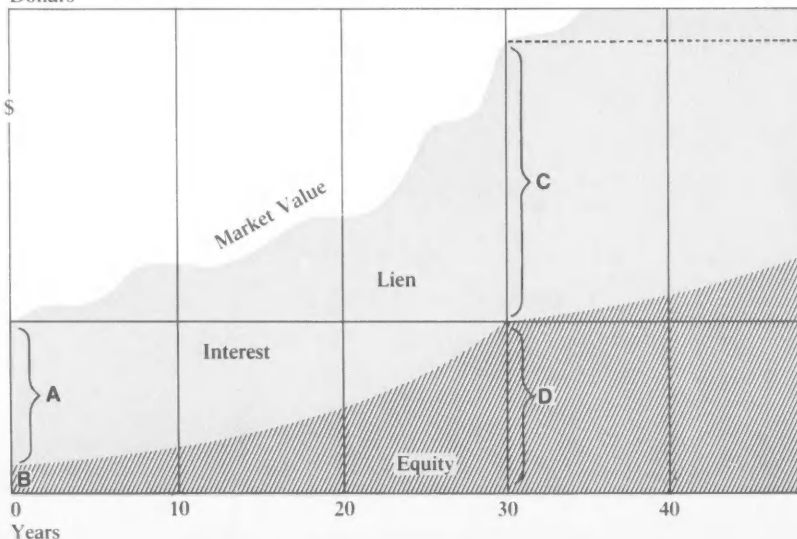
Regardless of whether the project is new or existing construction, the legal entity of a cooperative appears to be necessary for achievement of the three basic goals. When we looked at examples utilizing leases or any form of fee-simple estate, the model failed for various reasons. The most notable reasons related to the need for long term control of equity buildup and the ability to maintain the original loan for the full mortgage term. The model appears to work best when the project provides day-to-day benefits to the housing consumer and avoids investment motives. The cooperative, representing the consumer, while negotiating mortgage terms directly with the lender, also limits any other motives that might be incorporated into arrangements with a third party.

This model has grown at a dizzying pace. No one paid much attention early on; that is, we had to recognize how equity controls as applied to a Section 8 cooperative could be modified to serve the interests of middle-income families. Although we do not know of an existing example, we are confident that all the basic components of the model are workable since they constitute portions of existing projects. Work is now underway to assemble the components into a prototype project for middle-income families.

As a model, this description of a lender-participation cooperative has been highly simplified from the relatively complex product that is being developed. However, simplification is an advantage

Mortgage Amortization Diagram

Dollars



of a model since it encourages understanding and promotes examination of the alternatives and permutations that are necessary before refinement leads to completion.

Beyond this model and toward the development of a prototype, promise is always held high for a project containing the basic ingredients for success. A lender-participation cooperative would not be any different. Good location, design and management would have to be present in the most creative real estate venture. Also, the cooperative would have to be carefully formed to insure that the necessary financial and managerial controls are established in accordance with the anticipated results.

The project, also representing a long term investment for the lender, must include sound and reliable management. Obviously, if the project fails to achieve the anticipated value increase, the lender will suffer a reduced return on his investment. The lender's confidence in project management is, therefore, essential since other methods of limiting uncertainty could prove unsatisfactory in other ways to both the lender and the cooperative over the long term.

The lender-participation cooperative would best be assembled in concert between the cooperative and a large lending institution. Experimentation simply appears more acceptable when the cost of possible failure is weighed against large assets. Regardless of the institution and consumer motives behind this model, a prototype project would have to be developed around sound financial planning and results. There is nothing quite like success to encourage repetition and, if the lender-participation cooperative provides a contribution to middle-income housing, repetition is incredibly desirable.

Mr. Bonnett is a consultant with the firm of A.D. Bonnett & Associates (Oakland, Calif.), specializing in cooperative housing.

Why Palo Alto Landlords and Tenants Would Rather Switch Than Fight

Rental Housing Mediation

by Lizabeth Burch

"My rent's just been raised \$90 a month. My landlord says if I don't want to pay that much, he'll rent my apartment to someone else. What can I do?" "A tenant of mine just moved out without notice. Left the place a mess. The security deposit won't cover my cleaning costs — how can I recover damages?" "My landlord comes into my apartment at all hours of the day and night. Is this legal?" "My refrigerator is broken and the apartment manager won't return my calls. How can I get it fixed?"

These rental housing problems and others like them often result in legal action if unresolved. This course is time-consuming, expensive, clogs the judicial system and engenders further conflict between rental property owners and tenants. Is there another alternative?

Palo Alto

In the City of Palo Alto, California, the answer is "Yes." The Palo Alto Rental Housing Mediation Task Force, established in 1973 by the Palo Alto Human Relations Commission to respond to rental housing disputes and related community issues, provides a viable method of resolving rental housing problems by making available in Palo Alto a free, objective and non-adversary mediation program. In 1977 this city service received over 1,600 rental housing inquiries.

The rental housing vacancy rate in Palo Alto is less than 1 percent. As in most

urban areas where housing supply lags behind demand, issues and disputes arising from rental housing situations pose a significant community problem. The Rental Housing Mediation Task Force (RHMTF) provides one unique solution to this problem. Comprised entirely of unpaid volunteers, RHMTF is neither a tenants' union, landlords' advocacy group, nor an arbitration board. Rather, the Task Force serves landlords and tenants equally and fairly as a vehicle for improved communication, understanding and respect between parties of opposing viewpoints. It provides objective and sensitive mediators who can facilitate a mutually acceptable resolution to a dispute. It also disseminates to the community information on landlord and tenant rights and responsibilities, cooperates with other community organizations in efforts to improve the local housing situation, and identifies and studies persistent problems so as to advise the appropriate agencies on a remedial course of action.

RHMTF

RHMTF was created as a result of continuing contacts to the Human Relations Commission regarding rental housing issues. In 1971 and 1972 it became evident that complaints of illegal housing discrimination were on the increase in Palo Alto. Since approximately half of the City's total available housing units are rentals, the practices of apartment owners and managers constituted an important area of community concern. In examining this issue, it became evident that a broad range of landlord-tenant problems troubled the rental housing sector. These findings were confirmed by the heavy landlord-tenant caseload of the local small claims courts.

For citizens seeking information on rental housing-related problems, the situation was one of confusion. A 1972 survey identified 45 agencies in Santa Clara and San Mateo Counties (adjacent to Palo

Alto) which dealt with various aspects of this issue. Lack of coordination made it difficult to locate assistance, and there was little public awareness of means for resolving rental grievances in the local community.

The Human Relations Commission and Palo Alto Community Services' staff recognized the need for a specific, ongoing response mechanism. In 1973 they began to work on development of a body to deal specifically with rental housing concerns. Community groups representing landlords, tenants and fair housing interests cooperated in determining the most appropriate form for the Palo Alto Task Force. It was decided that a volunteer organization whose objectives were to provide information and facilitate communication, responding on an individual case basis, would be effective and successful in the community. This Task Force has now evolved into a smoothly functioning service through an organization system involving its own dedicated volunteers plus three additional components: The Palo Alto Area Information and Referral Service, the Human Relations Commission, and the City's Department of Social and Community Services.

Support Services Sought

In 1975, the city contracted with an already established local agency, Palo Alto Area Information and Referral Service (PAAIRS), to provide specific support services to the Task Force. PAAIRS currently serves as the central input channel for all rental housing related inquiries. It performs such functions as initial screening of telephone or walk-in requests, assessment of the caller's relevant problems, evaluation of needs, and non-advisory disbursement of information on landlord/tenant questions. PAAIRS works in close partnership with the city and with Task Force mediators. Its trained staff assists the caller in understanding the basic problem and



Palo Alto's City Hall – Rooms are provided here for mediation purposes and for RHMTF meetings.

possible solutions. It does not give legal advice, although if this is requested the caller may be referred to a local source of legal aid. Many cases do not require referral to mediation, and information received directly from PAAIRS may immediately suggest a course of action to the caller. However, if mediation is seen as an appropriate alternative and the caller requests it, the case is referred to a Task Force volunteer.

Mediation service is available to residents of Palo Alto and those who lived in Palo Alto when the problem occurred. Referrals may be made to similar services in neighboring communities if the caller is ineligible. Each mediation request is handled on a strictly confidential basis and assigned a case number for data recording purposes. Mediations are ordinarily handled by a team of two volunteers. Unlike some similar groups, RHMTF does

not screen its applicants to balance the Task Force equally between landlords and tenants. However, a mediation team usually consists of a landlord (or homeowner) and a tenant. This is helpful and reassuring to the parties involved and reinforces the objectivity and impartiality which are the mediation team's primary assets.

How Mediation Works

A typical mediation goes through the following stages:

- Mediators are assigned to the complaint by PAAIRS. They contact the complainant and obtain basic details of the problem, also informing the complainant of what can and cannot be done to resolve it. (They cannot, for example, hear both sides and produce a binding decision.) Not all calls referred to mediation result in an actual meeting. Sometimes the dispute can be settled by telephone, with the mediator ensuring communication over a simple mixup or a more complicated misunderstanding.

If a meeting seems indicated, the mediators contact the second party to the dispute. According to Task Force members, this is the crucial step in the process. It is sometimes nearly impossible to convince the disputant to participate in a discussion, and it may require many calls and much soothing explanation before a meeting can be scheduled. It appears that public willingness to participate in the program may be augmented by pointing out RHMTF's ties to city government. If the secondary party will not mediate, however, volunteers can inform the complainant of other community resources. If the disputants do agree to meet, the resolution rate is extremely high.

- In the actual meeting, mediators set an informal tone. They encourage each party to speak freely but not to adopt an immovable stance. They attempt to focus discussion on the real problem and to summarize all points of agreement.

sometimes suggesting compromise solutions.

The mediation team is responsible for the case until it is either resolved or reaches an impasse. A variety of resources is available to the Task Force including landlord/tenant literature, certain clerical and administrative assistance, legal guidelines and local social services. Mediators do whatever may be required to facilitate resolution of the dispute.

Task Force members usually attempt to follow up on completed cases by telephone. This is not to ensure compliance with the settlement but rather to determine that no further assistance is required. They also produce written reports on each case and report on cases orally at monthly task force meetings. Case reports deal only with circumstances, procedures and results, not with names and addresses. The meetings are an important learning tool, where mediators can exchange information and provide helpful feedback to each other. Much of the clarification of RHMTF policy is produced as members discuss the most effective role for the mediation team in specific case situations.

Mediation Tips

1. Assume that the problem is solvable and that both parties are interested in reaching a solution.
2. Stay neutral and direct participants to talk to each other, not to you.
3. Avoid discussions of who is at fault.
4. Try to prevent either party from stating views in a non-negotiable way.
5. Focus discussion on points of agreement to emphasize progress being made.
6. Set an informal and relaxed tone. Convincing the landlord to set aside his machete and the tenant to pocket his subpoena will make for a much more amicable settlement.



Participants in a regular monthly meeting analyze case reports.



Progress in a mediation setting – atmosphere is informal and parties are encouraged to speak freely.

Mediation volunteers are enthusiastic participants in RHMTF. Generally, each accepts one-two cases each month (requiring 6 - 20 hours of work) and is required to attend the monthly meetings whenever possible. Mediators serve a 2-year term. They must either live or be employed in Palo Alto, and they represent a balanced cross section of the rental housing community. They are appointed by the Mayor after approval from the Human Relations Commission. With the assistance of city staff, the Task Force currently recruits and trains its own new members. Areas of training include role playing, communications skills, and points of rental housing law. With increasing demand, membership has grown from an initial 12 volunteers to 24 at the present time.

The Human Relations Commission continues to take an active interest in the

Task Force. It develops the RHMTF budget and assigns one of its commissioners as RHMTF liaison. This liaison attends all RHMTF meetings and reports on community issues in the area of rental housing. The Commission also acts as advisory and coordinating body to the Task Force; and as a mediation group for community issues on a broader spectrum, it lends its own expertise to mediation questions.

The primary purpose of city staff support through the Department of Social and Community Services is to facilitate coordination of RHMTF activities and to provide publicity and support for existing services. The city provides staff who participate in outreach and write and design informational materials, as well as free printing. It pays RHMTF advertising costs. It also reimburses mediators for reasonable incurred expenses (such as long distance telephone charges), provides neutral meeting rooms for mediation if desired, and makes available additional resources to task force members. Some budget cuts have resulted with the advent of Proposition 13, and in the future major city support will derive more from indirect support than from direct staffing services.

Communications

Publicity is extremely important to any service provider. To inform area residents about the mediation service, the Task Force runs a continuing series of advertisements in the local newspaper, as does PAAIRS. Press releases are generated and RHMTF speakers are available to community groups. In addition, an item in great demand is the 40-page booklet of landlord/tenant information available from the city's Social and Community Services Department. This booklet is in its third printing and has been used by landlords, managers, tenants, legal workers and many city governments as a resource for their own rental housing information.

programs. Also available is a model lease agreement, used as a sample for reasonable rental arrangements, and RHMTF's annual report, which details activities of the current year. With assistance from city staff, the Task Force is now preparing short informational leaflets on questions of particular interest such as eviction and deposit laws. This flow of information has generated increasing community visibility. The number of requests received is, however, subject to fluctuation. Calls increase near the first of each month when rents are due. Additional factors include severe seasonal shortages of available units (which may discourage tenants from pursuing grievances) and types of publicity used at any given time.

Currently, raw data are collected on rental housing inquiries, but not analyzed. For example, quarterly reports for 1977 show that the largest number of requests received were in the area of deposit information (23 percent) and that roughly two thirds of all rental housing inquiries came from tenants, one third from landlords. The Task Force plans, however, to expand its recording system to include a follow-up program and trends analysis to look more closely at recurrent complaint and resolution patterns in the community. Statistical records can be utilized to help evaluate the program and determine future policies. RHMTF also hopes to continue in sponsoring forums and guest speakers to promote community awareness of housing issues.

The Palo Alto Rental Housing Mediation Task Force is the first of its type to be established in California. Mediation was originally proposed as an effective and inexpensive alternative to handling rental housing disputes without resorting to the formal State justice system with its associated costs and delays. Is mediation, in fact, such a workable alternative? An opportunity to ventilate grievances has a remarkable therapeutic effect on humans.



Lizabeth Burch is Social and Community Services Coordinator for the City of Palo Alto. She has worked with students, volunteers, service agencies and community groups to provide counseling, training and public relations expertise.

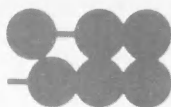
This is particularly true when the grievance has previously been ignored or dismissed, as is frequently the case in rental housing disputes. One major difference between mediation and court situations is that in mediation both parties agree in advance to meet and discuss possible solutions. The accent is on compromise and positive communication even before the actual meeting. Since settlement is voluntary and must be acceptable to both parties, mediation offers a potential not found in more formal mechanisms. Both parties may speak openly and clear the air in a non-judgmental situation. Mediation is free,

and it is far less time-consuming than the litigation process.

Judicial Involvement

Most rental housing disputes which reach the litigation stage are handled by Small Claims Courts. In the Palo Alto area, small claims filings exceed 2,500 per year. Mediation service has had a dramatic effect on the number of cases. One local judge has stated that in his courtroom housing-related cases are down 80 percent. In nearby communities, statistics show a similar trend. It should be stressed that RHMTF's effectiveness derives to a great extent from the group's visibility and reputation in the community for fairness and objectivity. The Task Force is dependent upon commitment to service by qualified individuals. These volunteers essentially act on their own, and this expedites their function as unbiased facilitators. Landlords are not reluctant to request mediation service, and tenants do not feel defensive when contacted by RHMTF volunteers. Word-of-mouth referrals have been one of RHMTF's most effective publicity methods, and will remain so as its high quality of service continues.

Mediation services do not "cure" the tight rental housing market. What they can do is provide information and channels for increased communication. They can make tenants aware of their rights and responsibilities under the law and help them follow through to a solution of their problems. They can show landlords an alternative to the court system which saves time and money and allows them to work with their tenants to reach an equitable solution. But what RHMTF and groups like it do best is to bring people together. This is its most important service, and this makes mediation a potentially viable and valuable concept in any community.



Characteristics of New One-Family Homes

A recent joint report issued by HUD and the Bureau of the Census indicates that a total of 1,125,000 new privately owned one-family homes were completed in 1977. This represents a 22 percent increase from 1976 and the second year since 1973 when one million units have been completed. Completions include homes built for sale, contractor-built homes, owner-built homes and homes built for rent. The report reflects revisions to previously published data for the years 1973 to 1976. Since 1973, approximately two-thirds of these homes have been conventionally financed. Of the nearly one-fifth financed with Federal assistance the breakdown was: VA with 8 percent, HUD/

FHA with 7 percent and 4 percent attributed to the Farmers Home Administration of the Department of Agriculture.

The average home completed in 1977 was only 1 percent larger in floor area than in 1976 but the trend toward more amenities continued. Seventy percent of completed homes had two or more bathrooms, up 10 percent from 1973; fifty percent are now heated by electricity; and 54 percent have central air conditioning.

During 1977, 819,000 new one-family homes were sold at an average price of \$48,800, up 10 percent over 1975. Conventionally financed homes averaged \$53,400 in price while HUD/FHA insured homes sold for an average of \$37,700.

New Privately Owned One-Family Homes Completed 1973-1977 Type of Financing Reported (%)

Year	Total Number (Thousands)	FHA	VA	FmHA	Conventional	Cash
1973	1,197	8	8	N.A.	69	15
1974	940	7	8	N.A.	69	17
1975	875	9	8	7	58	18
1976	1,034	6	8	5	67	15
1977	1,258	7	8	4	68	14

Physical Characteristics (%)

Year	Average Floor Area (Sq. Ft.)	Two or more Bathrooms	Heated by Electricity	With Fireplace	Central Air Conditioning
1973	1,660	60	42	44	49
1974	1,695	61	49	49	48
1975	1,645	60	49	52	46
1976	1,700	67	48	58	49
1977	1,720	70	50	61	54

New Homes Sold: Median Sales Price, by Type of Financing 1973-1977

Year	United States	HUD/FHA Insured	VA Guaranteed	FmHA- U.S.D.A.	Conventional	Cash
1973	\$32,500	\$22,100	\$27,300	N.A.	\$35,200	\$32,900
1974	35,900	29,800	31,300	N.A.	38,000	37,200
1975	39,300	32,300	35,000	\$22,500	43,900	38,100
1976	44,200	34,500	37,700	22,900	48,000	41,900
1977	48,800	37,700	41,600	25,800	53,400	47,500

U.S. Distribution by Reported Sales Price (%)

Year	Under \$30,000	\$30,000 to \$39,999	\$40,000 to \$49,999	\$50,000 to \$59,999	\$60,000 to \$69,999	\$70,000 and over
1973	42	31	16	6	3	3
1974	29	35	19	9	5	4
1975	20	32	23	12	6	6
1976	12	26	26	15	9	11
1977	7	21	24	18	11	18

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